

CPUC Public Agenda 3489

Thursday, July 15, 2021, 10:00 a.m.
Remote Presentation

Commissioners:

Marybel Batjer, President
Martha Guzman Aceves
Clifford Rechtschaffen
Genevieve Shiroma
Darcie L. Houck

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California Public
Utilities Commission

CPUC Mission

We Empower California through:

- Assuring utility services are clean and safe.
- Providing for critical services and infrastructure.
- Designing rates that are fair and reasonable.
- Protecting the interests of consumers and ratepayers

CPUC Core Values



Accountability



Excellence



Integrity



**Open
Communication**



Stewardship

Commissioner Code of Conduct

- I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.
- II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.
- III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.
- IV. Commissioners are public officials who should uphold the integrity of their office at all times.

Public Comment

- Per Resolution ALJ-252, **any member of the public** (excluding parties and their representatives) **who wishes to address the CPUC about matters before the Commission** must call in to toll-free number:



1-800-857-1917

Passcode: 9899501

- Once called, each speaker has up to 1 minute at the discretion of the Commission President. *Depending on the number of speakers, the time limit may be reduced to 1 minute.*
- A bell will ring when time has expired.
- Public Comment is not permitted on the following items:
 - 2, 46
 - All items on the Closed Session Agenda

Public Agenda Changes

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.

- Items on Today's Consent Agenda are:
1, 2, 3, 4, 5, 7, 9, 10, 11, 12, 13, 15, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37.
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- **Items 40, 41, 42, and 43** from the Regular Agenda have been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- **Items 6 and 8** have been moved to the Regular Agenda.
- **No Item** has been withdrawn.
- The following items have been held to future Commission Meetings:
 - **Held to 8/5/21: 14, 16, 19, 38, 39, and 49.**

Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's final decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: www.cpuc.ca.gov
- Late changes to agenda items are available on the Virtual Escutia Table.

Regular Agenda | Orders and Resolutions

Item #6 [19556] Pacific Power Requests to Transfer Ownership of the Lower Klamath Project to the Klamath River Renewal Corporation

Res E-5153, Advice Letter 638-E filed January 14, 2021

PROPOSED OUTCOME:

- Approves Pacific Power's request to transfer ownership of the Lower Klamath Project to the Klamath River Renewal Corporation, pursuant to Decision 11-05-002, modified by Decision 17-11-019.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- There are no costs associated with this resolution.

Resolution E-5153: PacifiCorp Advice Letter 638

Authorizing PacifiCorp to Transfer Ownership of the Lower Klamath Project to the Klamath River Renewal Corporation

Agenda Item #6

Presented by: Dorothy Duda, Program Manager, Energy Division

Jonathan Wardrip, Regulatory Analyst, Energy Division



California Public
Utilities Commission

Resolution E-5153

- Provides CPUC authorization for PacifiCorp to transfer ownership of the Lower Klamath Project to the Klamath River Renewal Corporation
 - *“...the most ambitious salmon restoration effort in history” which when completed “will address declines in fish populations, improve river health and renew Tribal communities and cultures.”*
- There are no rate impacts on PacifiCorp customers from this resolution
- California PacifiCorp customers have paid their full share of the removal project and are no longer being charged



Background

- This Advice Letter is filed in compliance with prior CPUC decisions which gave final approval for this transfer (D.11-05-002 and D.17-11-019)
- FERC issued a partial transfer order for the Project in July of 2020, but required PacifiCorp to stay on as a co-signee
- Memorandum of Agreement signed by California, Oregon, Karuk Tribe, Yurok Tribe, PacifiCorp and the Klamath River Renewal Corporation November 17, 2020
 - California and Oregon now co-signees on the license
 - Creates secondary contingency fund of \$45 million split evenly between Oregon, California and PacifiCorp – only as needed
 - KRRC already has \$50 million contingency in budget
- PacifiCorp filed Advice Letter 638 in January 2021 concurrently with a refiled license transfer application at FERC
- FERC issued a license transfer order for the Project on June 17th, 2021



Protested Issues in the Resolution

- Protests from multiple Siskiyou County Agencies (collectively) and The Klamath Water Users Association (KWUA) concerning:
 - Whether the MOA and FERC's June 2021 approval violate the terms of the settlement agreement by requiring PacifiCorp to cover up to 1/3 of cost overruns
 - Is dam removal still in the best interest of PacifiCorp Customers?
 - Should PacifiCorp wait to file until it has received final approval from FERC?
- The Resolution rejects these protests and affirms that removal of the Lower Klamath Project is in the best interests of Pacificorp customers and contingency funding is already in the budget
- This Resolution approves transfer of the license – should PacifiCorp be required to pay more in contingency funding, it would be required to seek recovery in an application before the CPUC where all stakeholders would be granted due process
- PacifiCorp's Advice Letter timing is in compliance with D.17-11-019
- The Advice Letter received support from the California Natural Resources Agency, Karuk Tribe, and the Yurok Tribe; Resolution supported by Ridges to Riffles Conservation Fund



California Public Utilities Commission

Dorothy.Duda@cpuc.ca.gov

Franz.Cheng@cpuc.ca.gov

Jonathan.Wardrip@cpuc.ca.gov

Additional Information

- The contingency fund in the MOA is \$45 million – should the need arise for any additional contingency funding; PacifiCorp would be responsible for up to \$15 million
- The Resolution provides a path for PacifiCorp to request a Memorandum Account to track incremental costs associated with contingency funding
- California ratepayers had fully funded their portion of the removal project by the end of 2020, that rate component has been removed from California PacifiCorp customers' tariffs.
- Parties expected FERC approval by April of 2022, FERC issued disposition ~10 months ahead of schedule
 - If the project can start sooner, cost overruns are less likely (delays increase costs)
- Further CPUC involvement with the Lower Klamath Project is unlikely and would only occur if PacifiCorp were to seek recovery of project cost overruns in rates from California ratepayers

Regular Agenda | Orders and Resolutions

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SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- There are no costs associated with this resolution.

Regular Agenda | Orders and Resolutions (continued)

Item #8 [19568] California Energy Commission's Electric Program Investment Charge Program Interim Investment Plan

R.19-10-005

Order Instituting Rulemaking on the Commission's Own Motion to consider renewal of the Electric Program Investment Charge Program.

Ratesetting

Comr. Guzman Aceves - Judge Glegola

PROPOSED OUTCOME:

- Approves the California Energy Commission's Electric Program Investment Charge Program Interim Investment Plan.
- This proceeding remains open.

SAFETY CONSIDERATIONS:

- Among other projects, the Electric Program Investment Charge Program funds projects that improve electricity reliability and public safety, especially in the area of wildfire risk reduction or mitigation.

ESTIMATED COST:

- \$147.26 million.

Regular Agenda | Energy Orders

Item #39 [19555] Near-Term Priorities for Transportation Electrification Investments by the Electrical Corporations, as Part of the Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification

R.18-12-006

Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification.

Quasi-Legislative

Comr. Rechtschaffen - Judge Goldberg

PROPOSED OUTCOME:

- Establishes framework for Near Term Priority investments in transportation electrification for all electrical corporations.
- This proceeding remains open.

SAFETY CONSIDERATIONS:

- All approved projects must comply with the Safety Requirements Checklist made available at <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/zero-emission-vehicles/transportation-electrification-activities-pursuant-to-senate-bill-350>

ESTIMATED COST:

- \$20 million dollar cap on each Near-Term Transportation Electrification Program.

Regular Agenda | Water/Sewer Orders

Item #44 [19617] COVID-19 Relief to Water Utility Customers

R.17-06-024

Order Instituting Rulemaking evaluating the Commission's 2010 water action plan objective of achieving consistency between Class A Water Utilities' Low-Income rate assistance programs, providing rate assistance to all low-income customers of Investor-Owned Water Utilities, and affordability.

Quasi-Legislative

Comr. Guzman Aceves - Judge Watts-Zagha

PROPOSED OUTCOME:

- Requires all Commission-regulated Class A water utilities to continue suspension of disconnections for nonpayment of customer utility bill debt accumulated during the statewide water disconnection moratorium, at least until state and federal funding for water utility bill relief is disbursed.
- Adopts rules to ease access to water utility low-income rate assistance called Customer Assistance Program, or CAP.
- Requires energy utilities to expand low-income customer data exchanges to public water systems statewide to support development of low-income water rate assistance programs and COVID-19 relief.
- Directs working sessions to refine data tracking and reporting on billing and collections metrics.
- Proceeding remains open for forthcoming third phase to assess whether additional COVID-19 relief is necessary and to support and improve water affordability statewide.

SAFETY CONSIDERATIONS:

- Safe and reliable water service is critical to health and safety.

ESTIMATED COST:

- There are no costs associated with this decision.

Regular Agenda | Orders Extending Statutory Deadline

Item #45 [19619] – Order Extending Statutory Deadline

A.19-08-004

Application of the Metro Gold Line Foothill Extension Construction Authority for an order authorizing construction of one light rail track at the La Verne Station east pedestrian at-grade rail crossing in the City of La Verne in Los Angeles County, California.

Ratesetting

Comr. Houck - Judge Kelly

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until December 31, 2021.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

Regular Agenda | Orders Extending Statutory Deadline (continued)

Item #46 [19620] – Order Extending Statutory Deadline

C.20-08-003

Utility Telecom Group, LLC vs. Bandwidth.com CLEC, LLC.

Adjudicatory

Comr. Rechtschaffen - Judge Toy

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until February 4, 2022..

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

Regular Agenda | Orders Extending Statutory Deadline (continued)

Item #47 [19623] – Order Extending Statutory Deadline

A.20-01-012

In the Matter of Application of California Water Service Company for a Certificate of Public Convenience and Necessity to Construct a Public Utility Water System Near Friant, CA in Madera County and to Establish Rates for Service.

Ratesetting

Comr. Shiroma - Judge Buch

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until January 25, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

Regular Agenda | Orders Extending Statutory Deadline (continued)

Item #48 [19624] – Order Extending Statutory Deadline

A.19-07-021

Application of Southern California Edison Company for Authorization to Recover Costs Related to 2017-2018 Drought and 2017 Firestorms and Recorded in the Catastrophic Event Memorandum Account.

Ratesetting

Comr. Houck - Judge Toy

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until October 29, 2021.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.

Management Reports



Commissioners' Reports



Commissioner
Martha Guzman Aceves



Commissioner
Clifford Rechtschaffen



President
Marybel Batjer



Commissioner
Genevieve Shiroma



Commissioner
Darcie L. Houck

The CPUC thanks you for
participating in today's meeting

The next Public Meeting will be:

August 5, 2021

10:00 a.m.

remote





California Public Utilities Commission

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